



MAR 11 2015

Carrol Dugan
Saputo Cheese, USA
800 E Paige Ave.
Tulare, CA 92649

RE: Final – Authority to Construct/Certificate of Conformity (Minor Mod)
Facility Number: S-1203
Project Number: S-1144293

Dear Ms. Dugan:

The Air Pollution Control Officer has issued the Authority to Construct permit to Saputo Cheese, USA for increasing the quantity of whey protein concentrate from the spray drier to 70 tons per day and increasing the throughput of the whey powder storage silo to 70 tons per day, at 800 E. Paige Avenue, Tulare, CA.

Enclosed are the Authority to Construct permit and invoice for the engineering evaluation fees pursuant to District Rule 3010. The District's analysis of the proposal was sent to US EPA Region IX on February 2, 2015. No comments were received following the District's preliminary decision on this project.

Prior to operating with modifications authorized by the Authority to Construct, you must submit an application to modify the Title V permit as an administrative amendment in accordance with District Rule 2520, Section 11.5.

Thank you for your cooperation in this matter. If you have any questions, please contact Mr. Leonard Scandura at (661) 392-5500.

Sincerely,



Arnaud Marjollet
Director of Permit Services

AM:SDD

Enclosures

cc: Gerardo C. Rios, EPA (w/enclosure) via email

Seyed Sadredin
Executive Director/Air Pollution Control Officer

Northern Region
4800 Enterprise Way
Modesto, CA 95356-8718
Tel: (209) 557-6400 FAX: (209) 557-6475

Central Region (Main Office)
1990 E. Gettysburg Avenue
Fresno, CA 93726-0244
Tel: (559) 230-6000 FAX: (559) 230-6061

Southern Region
34946 Flyover Court
Bakersfield, CA 93308-9725
Tel: 661-392-5500 FAX: 661-392-5585



AUTHORITY TO CONSTRUCT

PERMIT NO: S-1203-8-9

ISSUANCE DATE: 03/09/2015

LEGAL OWNER OR OPERATOR: SAPUTO CHEESE USA INC
MAILING ADDRESS: 800 E PAIGE AVE
TULARE, CA 93274

LOCATION: 800 E PAIGE AVE
TULARE, CA 93274

SECTION: SW14 **TOWNSHIP:** 20S **RANGE:** 24E

EQUIPMENT DESCRIPTION:

MODIFICATION OF NIRO INC. MULTI-STAGE TYPE MSD 500 SPRAY DRYER WITH 15.0 MMBTU/HR NATURAL GAS/LPG DIRECT-FIRED MAXON ULTRA LOW NOX CROSSFIRE LINE BURNER AND 15.4 MMBTU/HR NATURAL GAS/LPG INDIRECT-FIRED TODD RAPID MIX ULTRA LOW NOX BURNER AND FGR, FEED SYSTEM INDIRECT HOT AIR SYSTEM, DRYING CHAMBER, EXHAUST AIR SYSTEM WITH FLUIDIZER ASSEMBLY, CYCLONE AND BAGHOUSE FILTER: INCREASE DAILY PRODUCTION OF WHEY PROTEIN CONCENTRATE TO 70 TONS/DAY

CONDITIONS

1. This Authority to Construct serves as a written certificate of conformity with the procedural requirements of 40 CFR 70.7 and 70.8 and with the compliance requirements of 40 CFR 70.6(c). [District Rule 2201] Federally Enforceable Through Title V Permit
2. Prior to operating with modifications authorized by this Authority to Construct, the facility shall submit an application to modify the Title V permit with an administrative amendment in accordance with District Rule 2520 Section 5.3.4. [District Rule 2520, 5.3.4] Federally Enforceable Through Title V Permit
3. Prior to operating equipment under this Authority to Construct, permittee shall surrender SOx emission reduction credits for the following quantity of emissions: 1st quarter - 944 lb, 2nd quarter - 945 lb, 3rd quarter - 945 lb, and fourth quarter - 945 lb. These amounts include the applicable offset ratio specified in Rule 2201 Section 4.8 (as amended 4/21/11) for the ERC specified below. [District Rule 2201] Federally Enforceable Through Title V Permit

CONDITIONS CONTINUE ON NEXT PAGE

YOU MUST NOTIFY THE DISTRICT COMPLIANCE DIVISION AT (661) 392-5500 WHEN CONSTRUCTION IS COMPLETED AND PRIOR TO OPERATING THE EQUIPMENT OR MODIFICATIONS AUTHORIZED BY THIS AUTHORITY TO CONSTRUCT. This is NOT a PERMIT TO OPERATE. Approval or denial of a PERMIT TO OPERATE will be made after an inspection to verify that the equipment has been constructed in accordance with the approved plans, specifications and conditions of this Authority to Construct, and to determine if the equipment can be operated in compliance with all Rules and Regulations of the San Joaquin Valley Unified Air Pollution Control District. Unless construction has commenced pursuant to Rule 2050, this Authority to Construct shall expire and application shall be cancelled two years from the date of issuance. The applicant is responsible for complying with all laws, ordinances and regulations of all other governmental agencies which may pertain to the above equipment.

Seyed Sadredin, Executive Director / APCO



Arnaud Marjollet, Director of Permit Services

S-1203-8-9 Mar 9 2015 2:57PM -- DAVIDSOS : Joint inspection NOT Required

4. ERC Certificate Number N-1195-5 (or a certificate split from this certificate) shall be used to supply the required offsets, unless a revised offsetting proposal is received and approved by the District, upon which this Authority to Construct shall be reissued, administratively specifying the new offsetting proposal. Original public noticing requirements, if any, shall be duplicated prior to reissuance of this Authority to Construct. [District Rule 2201] Federally Enforceable Through Title V Permit
5. No air contaminant shall be discharged into the atmosphere for a period or periods aggregating more than three minutes in any one hour which is as dark as, or darker than, Ringelmann 1 or 20% opacity. [District Rule 4101] Federally Enforceable Through Title V Permit
6. While dormant, the fuel line shall be physically disconnected from the indirect-fired TODD RMB burner. [District Rule 2080] Federally Enforceable Through Title V Permit
7. Permittee shall submit written notification to the District upon designating the indirect-fired TODD RMB burner as dormant or active. [District Rule 2080] Federally Enforceable Through Title V Permit
8. While dormant, normal source testing shall not be required for the indirect-fired TODD RMB burner. [District Rule 2080] Federally Enforceable Through Title V Permit
9. Upon recommencing operation of the indirect-fired TODD RMB burner, normal source testing shall resume. [District Rule 2080] Federally Enforceable Through Title V Permit
10. Any source testing required by this permit shall be performed within 60 days of recommencing operation of the indirect-fired TODD RMB burner, regardless of whether the unit remains active or is again designated as dormant. [District Rule 2080] Federally Enforceable Through Title V Permit
11. Records of all dates and times that the indirect-fired TODD RMB burner is designated as dormant or active, and copies of all corresponding notices to the District, shall be maintained, retained for a period of at least five years, and made available for District inspection upon request. [District Rules 1070 and 2520] Federally Enforceable Through Title V Permit
12. The dryer shall only be fired on natural gas with LPG as a backup fuel. [District Rules 2201, 4201, 4301, 4320, and 4801] Federally Enforceable Through Title V Permit
13. Particulate matter emissions shall not exceed 0.1 grains/dscf in concentration. [District Rule 4201] Federally Enforceable Through Title V Permit
14. Permittee shall determine sulfur content of the natural gas combusted in the indirect-fired burner annually or shall demonstrate that the natural gas combusted is provided from a PUC or FERC regulated source. Permittee shall also determine sulfur content of the LPG combusted in the indirect-fired burner annually or shall demonstrate that the LPG combusted is provided from a commercial LPG source. [District Rules 1081 and 4320] Federally Enforceable Through Title V Permit
15. Emissions from fuel combustion when using the indirect-fired TODD RMB burner shall not exceed the following: NOx: 9 ppmv @ 3% O₂ or 0.011 lb/MMBtu, CO: 0.037 lb/MMBtu, VOC: 0.0055 lb/MMBtu, PM₁₀: 0.0076 lb/MMBtu, or SO_x (calculated as SO₂) 0.0029 lb/MMBtu. [District Rules 2201, 4305, 4306, and 4320] Federally Enforceable Through Title V Permit
16. Emissions from fuel combustion when using the direct-fired Maxon burner shall not exceed the following: NOx: 2.2 ppmv @ stack conditions (if > 19% O₂, otherwise corrected to 19% O₂) or 0.0243 lb/MMBtu, CO: 42 ppmv @ 19% O₂ (if > 19% O₂, otherwise corrected to 19% O₂) or 0.2924 lb/MMBtu, VOC: 0.0055 lb/MMBtu, PM₁₀: 0.0076 lb/MMBtu, or SO_x (calculated as SO₂) 0.0029 lb/MMBtu. [District Rules 2201 and 4309] Federally Enforceable Through Title V Permit
17. Non-combustion PM₁₀ emissions from baghouse shall not exceed 0.344 lb/ton. [District Rules 2201 and 4202] Federally Enforceable Through Title V Permit
18. Maximum daily production of the Whey Protein Concentrate (WPC) shall not exceed 70 ton/day. [District Rule 2201] Federally Enforceable Through Title V Permit
19. The source test plan shall identify which basis (ppmv or lb/MMBtu) will be used to demonstrate compliance. [District Rules 4305, 4306, 4309, and 4320] Federally Enforceable Through Title V Permit

CONDITIONS CONTINUE ON NEXT PAGE

20. All emissions measurements shall be made with the unit operating either at conditions representative of normal operations or conditions specified in the Permit to Operate. No determination of compliance shall be established within two hours after a continuous period in which fuel flow to the unit is shut off for 30 minutes or longer, or within 30 minutes after a re-ignition as defined in Section 3.0 of District Rule 4320 (adopted 10/16/2008). [District Rules 4305, 4306, 4309, and 4320] Federally Enforceable Through Title V Permit
21. For emissions source testing, the arithmetic average of three 30-consecutive-minute test runs shall apply. If two of three runs are above an applicable limit the test cannot be used to demonstrate compliance with an applicable limit. [District Rules 4305, 4306, 4309, and 4320] Federally Enforceable Through Title V Permit
22. Source testing of the indirect-fired TODD RMB burner to measure natural gas-combustion NOx and CO emissions shall be conducted at least once every twelve (12) months. After demonstrating compliance on two (2) consecutive annual source tests, the unit shall be tested not less than once every thirty-six (36) months. If the result of the 36-month source test demonstrates that the unit does not meet the applicable emission limits, the source testing frequency shall revert to at least once every twelve (12) months. [District Rules 4305, 4306, and 4320] Federally Enforceable Through Title V Permit
23. Source testing of the direct-fired Maxon burner to measure natural gas-combustion NOx and CO emissions shall be conducted within 60 days of initial start-up using the Maxon burner and at least once every 24 months thereafter. [District Rules 2201 and 4309] Federally Enforceable Through Title V Permit
24. The results of each source test shall be submitted to the District within 60 days thereafter. [District Rule 1081] Federally Enforceable Through Title V Permit
25. Source testing shall be conducted using the methods and procedures approved by the District. The District must be notified at least 30 days prior to any compliance source test, and a source test plan must be submitted for approval at least 15 days prior to testing. [District Rule 1081] Federally Enforceable Through Title V Permit
26. NOx emissions for source test purposes shall be determined using EPA Method 7E or ARB Method 100 on a ppmv basis, or EPA Method 19 on a heat input basis. [District Rules 4305, 4306, 4309, and 4320] Federally Enforceable Through Title V Permit
27. CO emissions for source test purposes shall be determined using EPA Method 10 or ARB Method 100. [District Rules 4305, 4306, 4309, and 4320] Federally Enforceable Through Title V Permit
28. When testing the emissions while operating with the direct-fired Maxon burner, all test results for NOx and CO shall be reported in ppmv @ 19% O₂ (or no correction if measured above 19% O₂), corrected to dry stack conditions. [District Rule 4309] Federally Enforceable Through Title V Permit
29. Stack gas oxygen (O₂) shall be determined using EPA Method 3 or 3A or ARB Method 100. [District Rules 4305, 4306, 4309, and 4320] Federally Enforceable Through Title V Permit
30. Fuel sulfur content shall be determined using EPA Method 11 or Method 15. [District Rule 4320] Federally Enforceable Through Title V Permit
31. The permittee shall monitor and record the stack concentration of NOx, CO, and O₂ at least once every month (in which a source test is not performed) using a portable emission monitor that meets District specifications. Monitoring shall not be required if the unit is not in operation, i.e. the unit need not be started solely to perform monitoring. Monitoring shall be performed within 5 days of restarting the unit unless monitoring has been performed within the last month. [District Rules 4305, 4306, 4309, and 4320] Federally Enforceable Through Title V Permit
32. When operating the dryer with the indirect-fired TODD burner, if either the NOx or CO concentrations corrected to 3% O₂, as measured by the portable analyzer, exceed the allowable emissions concentration, the permittee shall return the emissions to within the acceptable range as soon as possible, but no longer than 1 hour of operation after detection. If the portable analyzer readings continue to exceed the allowable emissions concentration after 1 hour of operation after detection, the permittee shall notify the District within the following 1 hour and conduct a certified source test within 60 days of the first exceedance. In lieu of conducting a source test, the permittee may stipulate a violation has occurred, subject to enforcement action. The permittee must then correct the violation, show compliance has been re-established, and resume monitoring procedures. If the deviations are the result of a qualifying breakdown condition pursuant to Rule 1100, the permittee may fully comply with Rule 1100 in lieu of the performing the notification and testing required by this condition. [District Rules 4305, 4306, and 4320] Federally Enforceable Through Title V Permit

CONDITIONS CONTINUE ON NEXT PAGE

33. When operating the dryer with the direct-fired Maxon burner, if either the NO_x or CO concentrations corrected to 19% O₂ (or no correction if measured above 19% O₂), as measured by the portable analyzer, exceed the allowable emissions concentration, the permittee shall return the emissions to within the acceptable range as soon as possible, but no longer than 1 hour of operation after detection. If the portable analyzer readings continue to exceed the allowable emissions concentration after 1 hour of operation after detection, the permittee shall notify the District within the following 1 hour and conduct a certified source test within 60 days of the first exceedance. In lieu of conducting a source test, the permittee may stipulate a violation has occurred, subject to enforcement action. The permittee must then correct the violation, show compliance has been re-established, and resume monitoring procedures. If the deviations are the result of a qualifying breakdown condition pursuant to Rule 1100, the permittee may fully comply with Rule 1100 in lieu of the performing the notification and testing required by this condition. [District Rule 4309] Federally Enforceable Through Title V Permit
34. All alternate monitoring parameter emission readings shall be taken with the unit operating either at conditions representative of normal operations or conditions specified in the Permit to Operate. The analyzer shall be calibrated, maintained, and operated in accordance with the manufacturer's specifications and recommendations or a protocol approved by the APCO. Emission readings taken shall be averaged over a 15 consecutive-minute period by either taking a cumulative 15 consecutive-minute sample reading or by taking at least five (5) readings, evenly spaced out over the 15 consecutive-minute period. [District Rules 4305, 4306, 4309, and 4320] Federally Enforceable Through Title V Permit
35. When operating the dryer with the indirect-fired TODD burner, the permittee shall maintain records of: (1) the date and time of NO_x, CO, and O₂ measurements, (2) the O₂ concentration in percent and the measured NO_x and CO concentrations corrected to 3% O₂, (3) make and model of exhaust gas analyzer, (4) exhaust gas analyzer calibration records, and (5) a description of any corrective action taken to maintain the emissions within the acceptable range. [District Rules 4305, 4306, and 4320] Federally Enforceable Through Title V Permit
36. When operating the dryer with the direct-fired Maxon burner, the permittee shall maintain records of: (1) the date and time of NO_x, CO, and O₂ measurements, (2) the O₂ concentration in percent and the measured NO_x and CO concentrations corrected to 19% O₂ (or no correction if measured above 19% O₂), (3) make and model of exhaust gas analyzer, (4) exhaust gas analyzer calibration records, and (5) a description of any corrective action taken to maintain the emissions within the acceptable range [District Rule 4309] Federally Enforceable Through Title V Permit
37. Replacement bags numbering at least 10% of the total number of bags in the largest baghouse using each type of bag shall be maintained on the premises. [District Rule 2201] Federally Enforceable Through Title V Permit
38. Material removed from dust collector(s) shall be disposed of in a manner preventing entrainment into the atmosphere. [District Rule 2201] Federally Enforceable Through Title V Permit
39. Visible emissions from baghouse shall not equal or exceed 5% opacity for a period or periods aggregating more than three minutes in one hour. [District Rules 2201 and 4101] Federally Enforceable Through Title V Permit
40. The baghouse cleaning frequency and duration shall be adjusted to optimize the control efficiency. [District Rule 2201] Federally Enforceable Through Title V Permit
41. The baghouse shall be equipped with a pressure differential gauge to indicate the pressure drop across the bags. The gauge shall be maintained in good working condition at all times and shall be located in an easily accessible location. [District Rule 2201] Federally Enforceable Through Title V Permit
42. Daily log of WPC productions shall be maintained, kept, and made available for District inspection upon request. [District Rule 2201] Federally Enforceable Through Title V Permit
43. Visible emissions from the source during operation shall be evaluated using EPA method 22 at least once per calendar quarter. If visible emissions are observed, corrective action shall be taken to eliminate visible emissions. If visible emissions cannot be eliminated within 24 hours, a visible emissions test using EPA Method 9 shall be conducted. [District Rule 2520, 9.3.2] Federally Enforceable Through Title V Permit
44. Records of visible emissions monitoring results shall be maintained and retained for a minimum of five (5) years, and shall be made available for District inspection upon request. [District Rule 2520, 9.4] Federally Enforceable Through Title V Permit

CONDITIONS CONTINUE ON NEXT PAGE

45. Dust collector filters shall be thoroughly inspected annually for tears, scuffs, abrasions, holes, or any evidence of particulate matter leaks and shall be replaced as needed. [District Rule 2520, 9.3.2] Federally Enforceable Through Title V Permit
46. Records of dust collector maintenance, inspections, and repair shall be maintained. The records shall include identification of the equipment, date of inspection, corrective action taken, and identification of the individual performing the inspection. [District Rule 2520, 9.4] Federally Enforceable Through Title V Permit
47. Permittee shall maintain records of the type and amount of each fuel combusted in the indirect-fired burner during each calendar month. [40 CFR 60.48c(g)] Federally Enforceable Through Title V Permit
48. All records shall be maintained and retained on-site for a minimum of five (5) years, and shall be made available for District inspection upon request. [District Rules 1070, 2520, 9.4.2, 4305, 4306, 4309, and 4320 and 40 CFR 60.48c(i)] Federally Enforceable Through Title V Permit



AUTHORITY TO CONSTRUCT

PERMIT NO: S-1203-12-3

ISSUANCE DATE: 03/09/2015

LEGAL OWNER OR OPERATOR: SAPUTO CHEESE USA INC

MAILING ADDRESS: 800 E PAIGE AVE
TULARE, CA 93274

LOCATION: 800 E PAIGE AVE
TULARE, CA 93274

SECTION: SW14 **TOWNSHIP:** 20S **RANGE:** 24E

EQUIPMENT DESCRIPTION:

MODIFICATION OF 26,162 GALLON (3,500 CU. FT.) WHEY POWDER STORAGE SILO "C" WITH BIN VENT, 3 HP POWDER SILO BIN DISCHARGER, 2 HP BIN VENT EXHAUST FAN, AND 1 HP CONVEY-THRU ROTARY AIRLOCK: INCREASE DAILY THROUGHPUT OF WHEY PROTEIN CONCENTRATE TO 70 TONS/DAY

CONDITIONS

1. This Authority to Construct serves as a written certificate of conformity with the procedural requirements of 40 CFR 70.7 and 70.8 and with the compliance requirements of 40 CFR 70.6(c). [District Rule 2201] Federally Enforceable Through Title V Permit
2. Prior to operating with modifications authorized by this Authority to Construct, the facility shall submit an application to modify the Title V permit with an administrative amendment in accordance with District Rule 2520 Section 5.3.4. [District Rule 2520, 5.3.4] Federally Enforceable Through Title V Permit
3. No air contaminant shall be discharged into the atmosphere for a period or periods aggregating more than three minutes in any one hour which is as dark as, or darker than, Ringelmann 1 or 20% opacity. [District Rule 4101] Federally Enforceable Through Title V Permit
4. No air contaminant shall be released into the atmosphere which causes a public nuisance. [District Rule 4102]
5. PM10 emissions from bin vent filters shall not exceed 0.015 lb/ton of powder conveyed into silo. [District Rules 2201, 4201, and 4202] Federally Enforceable Through Title V Permit
6. Maximum quantity of dried whey powder conveyed into silo shall not exceed 70 tons/day. [District Rules 2201 and 4202] Federally Enforceable Through Title V Permit

CONDITIONS CONTINUE ON NEXT PAGE

YOU MUST NOTIFY THE DISTRICT COMPLIANCE DIVISION AT (661) 392-5500 WHEN CONSTRUCTION IS COMPLETED AND PRIOR TO OPERATING THE EQUIPMENT OR MODIFICATIONS AUTHORIZED BY THIS AUTHORITY TO CONSTRUCT. This is NOT a PERMIT TO OPERATE. Approval or denial of a PERMIT TO OPERATE will be made after an inspection to verify that the equipment has been constructed in accordance with the approved plans, specifications and conditions of this Authority to Construct, and to determine if the equipment can be operated in compliance with all Rules and Regulations of the San Joaquin Valley Unified Air Pollution Control District. Unless construction has commenced pursuant to Rule 2050, this Authority to Construct shall expire and application shall be cancelled two years from the date of issuance. The applicant is responsible for complying with all laws, ordinances and regulations of all other governmental agencies which may pertain to the above equipment.

Seyed Sadredin, Executive Director / APCO

Arnaud Marjollet, Director of Permit Services

S-1203-12-3 : Mar 9 2015 2:58PM - DAVIDSOS : Joint Inspection NOT Required

7. Visible emissions from the source during operation shall be evaluated using EPA method 22 at least once per calendar quarter. If visible emissions are observed, corrective action shall be taken to eliminate visible emissions. If visible emissions cannot be eliminated within 24 hours, a visible emissions test using EPA Method 9 shall be conducted. [District Rule 2520, 9.3.2] Federally Enforceable Through Title V Permit
8. Records of visible emissions monitoring results shall be maintained and retained for a minimum of five (5) years, and shall be made available for District inspection upon request. [District Rule 2520, 9.4] Federally Enforceable Through Title V Permit
9. Permittee shall perform a complete vent filter inspection on an annual basis. Dust collector filters shall be inspected thoroughly for tears, scuffs, abrasions, holes, or any evidence of particulate matter leaks and shall be replaced as needed. [District Rule 2520, 9.3.2] Federally Enforceable Through Title V Permit
10. Records of vent filter maintenance, inspections, and repair shall be maintained. The records shall include identification of the equipment, date of inspection, corrective action taken, and identification of the individual performing the inspection. [District Rule 2520, 9.4] Federally Enforceable Through Title V Permit
11. Permittee shall maintain a daily record of the quantity of dry powder conveyed into the silo. Records shall be kept for a period of five years and made available for District inspection upon request. [District Rules 2201 and 2520, 9.4.2] Federally Enforceable Through Title V Permit